GOVERNMENT OF INDIA
MINES
LOK SABHA

UNSTARRED QUESTION NO:1023
ANSWERED ON:28.11.2006
PRIVATE INVESTMENT IN MINING SECTOR
Barman Shri Ranen;Nayak Shri Ananta

Will the Minister of MINES be pleased to state:

(a) whether the Government proposes to invite private investment in the mining sector;

(b) if so, the number of FDI proposals received since the opening of the mining sector to private participation, State-wise;

(c) the present status of each of such proposals, State-wise;

(d) if so, whether the Government has notified exclusive economic zone for development and regulation of mineral resources in the country;

(e) if so, the details thereof; and

(f) the response received from the private sector in this regard till date?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF MINES (Dr. T. SUBBARAMI REDDY)

(a): As per the National Mineral Policy, enunciated in 1993 the exploration and exploitation of all non-fuel and non-atomic minerals have been thrown open to private investment.

(b) & (c): As per available information, the Government has approved 73 proposals of Foreign Direct Investment(FDI) envisaging an investment of Rs.4044 crores since opening up of mining sector for private participation. The approval granted is for foreign equity participation in a company incorporated in India. After incorporation, these companies are required to apply to the respective State Governments for grant of mineral concessions, which are the owners of minerals in their respective territorial jurisdiction.

(d): Government has not notified exclusive economic zone for development and regulation of mineral resources in the country.

(e) &(f): In view of (d) above, does not arise.